



Why This Matters

The Federal Emergency Management Agency (FEMA) awards preparedness (non-disaster) grants to plan, organize, equip, train, and conduct exercises to build and sustain the capabilities necessary to prevent, protect against, mitigate the effects of, respond to, and recover from those threats that pose the greatest risk to the security of the Nation. Two broad categories of grants— Assistance to Firefighters Grants Program (AFGP) and Transportation Infrastructure Security Branch (TISB) grants— are awarded to local entities such as fire stations, port facilities, and transit systems. A FEMA official reported that FEMA directly monitors both categories of grants, which totaled \$1.2 billion in fiscal year (FY) 2011.

DHS Response

FEMA concurred with two of the recommendations but did not concur with our recommendation to include in FEMA's integrated financial and programmatic monitoring plan for grantees a methodology for applying financial monitoring key risk indicators to all grantees, not just those selected in a random sample.

FEMA said that the findings in the report will be used to strengthen the effectiveness and efficiency of how it executes and measures its programs.

For Further Information:

Contact our Office of Public Affairs at (202)254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

FEMA's Use of Risk-based Monitoring for Grantee Oversight

What We Determined

In FY 2012, FEMA inconsistently applied risk indicators to determine the level of financial and programmatic monitoring a grantee received. Additionally, in selecting grantees to monitor, FEMA did not assign risk indicators to all grantees. As a result, FEMA could not ensure that it monitored all grantees with increased risk.

For FY 2013, FEMA combined programmatic and financial monitoring into an integrated plan and revised its risk indicators to reflect grantees' inherent risk better. However, the plan does not ensure that all grantees with increased risk will be selected for financial monitoring. In addition, FEMA and the Department of Homeland Security's (DHS) Division of Financial Assistance Policy and Oversight have not coordinated their approaches to grant oversight monitoring, which means that FEMA may have to revise its approach should DHS issue a standard risk model.

What We Recommend

The Assistant Administrator of the Grant Programs Directorate:

- 1) Include in FEMA's integrated financial and programmatic monitoring plan for grantees a methodology for applying financial monitoring key risk indicators to all grantees, not just those selected in a random sample.
- 2) Notify Regional Fire Program Specialists when grantee purchase requests are submitted to FEMA for payment.

We recommend that the Acting Director, Division of Financial Assistance Policy and Oversight, and the Assistant Administrator of the Grant Programs Directorate:

- 1) Develop and implement a plan to ensure there is open and continuing communication between the offices as they develop grant monitoring procedures, plans, and requirements.